

THE AMERICAN ECONOMIC REVIEW

VOLUME XLVIII

BOARD OF EDITORS

GEORGE L. BACH
OSWALD H. BROWNLEE
NEIL W. CHAMBERLAIN
EVSEY D. DOMAR

KERMIT GORDON
CHARLES P. KINDLEBERGER
WALTER S. SALANT
THOMAS C. SCHELLING

MANAGING EDITOR

BERNARD F. HALEY

THE AMERICAN ECONOMIC ASSOCIATION

Executive Office: Evanston, Illinois

Editorial Office: Stanford University, Stanford, California

HB

1

A514

vol 48

Copyright 1958

AMERICAN ECONOMIC ASSOCIATION

CONTENTS

ARTICLES:

Activity Analysis in One Lesson	W. J. BAUMOL	837
Air Force Logistics, Economic Problems in	H. MENDERSHAUSEN	632
Business Firms, The Size Distribution of	H. A. SIMON and C. P. BONINI	607
Capital Longevity and Economic Development. With: Mathematical Note on Optimum Longevity, by F. M. WESTFIELD	R. C. BLITZ	313
Clayton Act, The: Sleeping Giant of Antitrust?	R. W. HARBESON	92
Consumer Investment Expenditures	J. N. MORGAN	874
Firm, The, in Illyria: Market Syndicalism	B. WARD	566
Foreign-Trade and Balanced-Budget Multipliers	F. D. HOLZMAN and A. ZELLNER	73
Industrial Feudalism?, Do We Have a New	A. M. ROSS	903
Institutionalism and Welfare Economics	M. A. COPELAND	1
International Trade and Economic Expansion	J. BHAGWATI	941
Inventory-Output Ratios, A Comparison of Soviet and American	R. W. CAMPBELL	549
"People's Capitalism" and Stock-Ownership	V. PERLO	333
Policy Analysis	C. E. LINDBLOM	298
Pricing Objectives in Large Companies	R. F. LANZILOTTI	921
Production Ceiling, The, and the Turning-Point of 1920	K. D. ROOSE	348
Progressive Taxation in an Inflationary Economy	E. J. MISHAN and L. A. DICKS-MIREAUX	590
Relative Shares, A Skeptical Note on the Constancy of	R. M. SOLOW	618
Retailers' Buying, Cause and Consequence of Changes in	R. P. MACK and V. ZARNOWITZ	18
Ricardo and the 93% Labor Theory of Value	G. J. STIGLER	357
Supply of Storage, The	M. J. BRENNAN	50
Theory of Investment, The Cost of Capital, Corporation Finance and the	F. MODIGLIANI and M. H. MILLER	261

REVIEW ARTICLES:

Dollar Shortage, The, Re-Revisited	C. P. KINDLEBERGER	388
Foreign Trade Policy, United States	J. M. LETICHE	954
Game Theory, Advances in	H. M. WAGNER	368
Permanent Income Hypothesis, The	H. S. HOUTHAKKER	396
Comments by R. EISNER, M. FRIEDMAN; Reply by	H. S. HOUTHAKKER	972

COMMUNICATIONS:

Consumer Loans, Response of, to General Credit Conditions	P. SMITH	649
Income Tax, The Federal Personal, and the Inci- dence of Deductible Costs	J. N. MORGAN	655
Intermediaries and Monetary Theory: A Criticism of the Gurley-Shaw Theory	J. M. CULBERTSON	119
Reply	J. G. GURLEY and E. S. SHAW	132
Korea's Monetary and Fiscal Systems, Some Little- Understood Aspects of: Comment	L. DE ALESSI and R. EVANS	657

Comment	S. Y. PARK	660
Reply	C. D. CAMPBELL and G. TULLOCK	661
Mitchell and Commons, The Mutual Influence of	J. DORFMAN	405
Neutralization of Currency Flows, A Proposal for the Automatic	L. M. VALENTINE	111
Permanent Income Hypothesis, The: Comment	R. EISNER	972
Comment	M. FRIEDMAN	990
Reply	H. S. HOUTHAKKER	991
Tax Element in Soviet Bonds, An Estimate of the: Comment	M. BORNSTEIN	662
Reply	F. D. HOLZMAN	665
Time-Preference, Productivity of Capital, Stagnation and Economic Growth, Theoretical Note on	W. LEONTIEF	105
Union, The, and Wages in Basic Steel: Comment	L. ULMAN	408
Reply	A. REES	426
Wage-Push Inflation Thesis, The, 1950-1957	L. E. GALLAWAY	967

REVIEWS OF BOOKS:

ADAMS AND HENDRY, Trucking Mergers, Concentration, and Small Business, by R. B. Goode	204
ADLER, The Chinese Economy, by C. M. Li	465
AITCHISON AND BROWN, The Lognormal Distribution, with Special Reference to its Uses in Economics, by R. Summers	690
ALLEN, Mathematical Economics, by L. W. McKenzie	139
ALLEN AND DONNITHORNE, Western Enterprise in Indonesia and Malaya, by E. de Vries	468
AOYAMA, editor, Nipponkeizai to Keikihendo, by K. K. Kurihara	453
ARNDT, Theoretische Grundlagen der Lohnpolitik, by A. Sturmthal	220
ASHER, KOTSCHNIG, BROWN, AND ASSOCIATES, The United Nations and Economic and Social Co-operation, by E. P. Reubens	190
BACH, Inflation: A Study in Economics, Ethics, and Politics, by L. Tarshis	697
BAKER, Printers and Technology: A History of the International Printing Pressmen and Assistants' Union, by W. B. Catlin	746
BARAN, The Political Economy of Growth, by N. Kaldor	164
BAUER, Economic Analysis and Policy in Underdeveloped Countries, by S. G. Triantis	458
BAUER AND YAMEY, The Economics of Under-Developed Countries, by E. E. Hagen	170
BEACH, Economic Models, by G. Tintner	149
BECKER, The Economics of Discrimination, by M. W. Reder	495
BEHRMAN AND SCHMIDT, International Economics, by D. A. Moore	195
BERLINER, Factory and Manager in the USSR, by W. W. Eason	477
BLANK AND STIGLER, The Demand and Supply of Scientific Personnel, by W. M. Capron	213
BLYUMIN, Ocherki sovremennoy burzhuaznoy politicheskoy ekonomii SShA. (Outline of the Contemporary Bourgeois Political Economy of the U.S.A.), by V. Holubnychy	160
BONNÉ, Studies in Economic Development, with Special Reference to Conditions in the Underdeveloped Areas of Western Asia and India, by F. C. Shorter	1031
BONNETT, History of Employers' Associations in the United States, by J. Shister	224
BÖSSMANN, Probleme einer dynamischen Theorie der Konsumfunktion, by J. J. Klein	1013
BOULTING, Principles of Economic Policy, by J. C. Murdock	670
——, The Skills of the Economist, by H. R. Bowen	998
BURNS, Prosperity without Inflation, by L. Tarshis	697

BUSHAW AND CLOWER, Introduction to Mathematical Economics, by D. Bodenhorn	148
CALLISON, editor, America's Natural Resources, by M. F. Brewer	493
CHACKO, The Monetary and Fiscal Policy of India, by S. M. Mark	1042
CHAMBERLAIN, PIERSON AND WOLFSON, editors, A Decade of Industrial Relations Research, 1946-1956, by J. V. Spielmans	1070
CHAMBERLIN, Towards a More General Theory of Value, by G. W. Nutter	1003
CHAPIN, Urban Land Use Planning, by J. Gillies	489
CHILD, The Theory and Procedure of Exchange Control in Germany, by E. R. Schlesinger	1051
CLAWSON AND HELD, The Federal Lands: Their Use and Management, by J. H. Shideler	491
COCHRANE, Farm Prices—Myth and Reality, by E. Feder	1068
COONTZ, Population Theories and the Economic Interpretation, by R. B. Vance ..	747
CROSSER, Economic Fictions—A Critique of Subjectivistic Economic Theory, by K. Pribram	440
CROWTHER, Balances and Imbalances of Payments, by C. P. Kindleberger (review article)	388
DAVIDSON AND SUPPES, Decision Making, by D. Ellsberg	1009
DAVIES, The Development of the Soviet Budgetary System, by T. Sosnovy	1038
DAVIS AND GOLDBERG, A Concept of Agribusiness, by R. B. Sheridan	211
DE SAILLY, La zone sterling, by M. Simon	482
DIETERLEN, L'investissement, by W. Vickrey	451
DOBRIANSKY, Veblenism, A New Critique, by D. Dillard	456
DOMAR, Essays in the Theory of Economic Growth, by I. Svernnilson	1006
DONALDSON, Corporate Finance, by G. W. Sanford	487
DORFMAN, SAMUELSON AND SOLOW, Linear Programming and Economic Analysis, by M. Bronfenbrenner	673
DOWNES, An Economic Theory of Democracy, by A. Bergson	437
DUE, Sales Taxation, by R. Goode	1045
DUNLOP, editor, The Theory of Wage Determination, by G. H. Hildebrand	217
EINZIG, The Economic Consequences of Automation, by W. S. Buckingham, Jr.	200
ERHARD, Prosperity Through Competition, by N. Reich	1024
FAXÉN, Monetary and Fiscal Policy under Uncertainty, by H. Neisser	479
FLORENCE, Industry and the State, by F. A. Bond	207
FORSTMANN, Die Grundlagen der Aussenwirtschaftstheorie, by L. H. Mai	724
FOWKE, The National Policy and the Wheat Economy, by A. W. Wood	740
FREI, editor, Wirtschaftssysteme des Westens (Economic Systems of the West). Vol. I, Belgique, Denmark, Great Britain, Japan, Niederlande, Oesterreich, Spanien, Schweden, by T. Surányi-Unger	1035
FRIEDMAN, A Theory of the Consumption Function, by H. S. Houthakker (review article)	396
FRIEDMANN, editor, Anti-Trust Laws: A Comparative Symposium, by R. W. Harbeson	1060
FRIEND, HOFFMAN, WINN AND OTHERS, The Over-the-Counter Securities Markets, by R. R. Dince	1057
FROWNEN AND HILLMAN, editors, Economic Issues—A Financial and Economic Debate in the Critical Years 1954-57, by D. R. Hodgman	442
FUCHS, The Economics of the Fur Industry, by L. Saville	206
GILBERT AND STONE, editors, Income and Wealth, Series VI, by G. Garvy	448
GITLOW, Labor Economics and Industrial Relations, by C. Cabe	225
GLAESER, Public Utilities in American Capitalism, by M. L. Lindahl	736
GOLDBERG, The Maritime Story: A Study in Labor-Management Relations, by J. G. B. Hutchins	1071
GOLDSMITH, Financial Intermediaries in the American Economy since 1900, by I. Friend	699
GORDON, International Trade: Goods, People, and Ideas, by J. M. Hunter	725

GRABBE, editor, <i>Automation in Business and Industry</i> , by W. S. Buckingham, Jr.	200
GUTH, <i>Der Kapitalexpert in unterentwickelte Länder</i> , by S. Spiegelglas	1050
GUTHRIE, <i>Economics</i> , by D. V. Plantz	151
HALLER, <i>Finanzpolitik—Grundlagen und Hauptprobleme</i> , by H. Reinhardt	712
HANDLER, <i>Antitrust in Perspective—The Complementary Roles of Rule and Discretion</i> , by F. J. Kottke	488
HANSEN, <i>The American Economy</i> , by J. F. Cusick	445
HARRIS, <i>International and Interregional Economics</i> , by S. E. Braden	485
HELLWIG, <i>Kreditschöpfung und Kreditvermittlung</i> , by H. F. Sennholz	707
HENNING, <i>International Finance</i> , by M. D. Wattles	727
HIGBEE, <i>The American Oasis</i> , by M. F. Brewer	492
HIGGINS, <i>Indonesia's Economic Stabilization and Development</i> , by R. E. Baldwin	683
HIRSCH, <i>Mengenplanung und Preisplanung in der Sowjetunion</i> , by G. J. Novak	692
HOLLAND, <i>The Income-Tax Burden on Stockholders</i> , by J. K. Butters	1046
HOMAN, HART AND SAMETZ, <i>The Economic Order—An Introduction to Theory and Policy</i> , by K. de Schweinitz, Jr.	1001
HOWARD, <i>Marketing Management</i> , by P. Bliss	202
HUDSON AND CONSTANTIN, <i>Motor Transportation</i> , by H. S. Norton	734
HUNTER, <i>Soviet Transportation Policy</i> , by W. N. Leonard	1061
JASNY, <i>The Soviet 1956 Statistical Handbook</i> , by J. P. Hardt	470
JEWKES, SAWERS AND STILLERMAN, <i>The Sources of Invention</i> , by W. R. MacLaurin	1058
JOME, <i>Principles of Money and Banking</i> , by J. A. Crutchfield.	184
KONDRASHEV, <i>Tsenobrazovanie v promyshlennosti SSSR. (Price Formation in the Industry of the USSR)</i> , by R. W. Campbell	1036
KOOPMANS, <i>Three Essays on the State of Economic Science</i> , by A. G. Papandreou	668
KROHN, <i>Die Futtergetreidewirtschaft der Welt 1900-1954</i> , by C. F. Wehrwein	742
LAMBIE, editor, <i>Architects and Craftsmen in History: Festschrift für Abbott Payson Usher</i> , by R. E. Cameron	162
LEIBENSTEIN, <i>Economic Backwardness and Economic Growth</i> , by D. Hamberg	1020
LEITER, <i>The Teamsters Union</i> , by J. J. Kaufman	502
L'HUILLIER, <i>Théorie et pratique de la coopération économique internationale</i> , by J. B. Sheahan	720
LIPSCHITZ, <i>Die theoretischen Grundlagen David Ricardos im Lichte des Briefwechsels</i> , by F. K. Mann	1014
LIVINGSTON, <i>The American Stockholder</i> , by L. H. Kimmel	1055
LOKSHIN, <i>Ocherk istorii promyshlennosti SSSR 1917-1940 (Outline of History of the Industry of the USSR)</i> , by V. Holubnychy	180
LUCE AND RAIFFA, <i>Games and Decisions</i> , by H. M. Wagner (review article)	368
MACDOUGALL, <i>The World Dollar Problem</i> , by C. P. Kindleberger (review article)	388
MAISEL, <i>Fluctuations, Growth, and Forecasting</i> , by R. V. Clemence	182
MAKOWER, <i>Activity Analysis and the Theory of Economic Equilibrium</i> , by R. Dorfman	152
MALISSEN, <i>Investissement et financement</i> , by A. H. Meltzer	728
MEADE, <i>The Control of Inflation: An Inaugural Lecture</i> , by L. Tarshis	697
MEIER AND BALDWIN, <i>Economic Development—Theory, History, Policy</i> , by S. Klein	172
MORET, <i>L'Échange international</i> , by A. Basch	484
MYRDAL, <i>Rich Lands and Poor: The Road to World Prosperity</i> , by R. A. Easterlin	678
NERLOVE, <i>Distributed Lags and Demand Analysis for Agricultural and Other Commodities</i> , by A. S. Goldberger	1011
OHKAWA AND ASSOCIATES, <i>The Growth Rate of the Japanese Economy since 1878</i> , by H. T. Oshima	685
OLIVER, <i>Economic Opinion and Policy in Ceylon</i> , by T. Morgan	1029
PAPANDREOU, <i>Economics as a Science</i> , by J. F. Becker	995
PARRILLO, <i>Contributo alla teoria della politica economica</i> , by A. S. Hall	444
PEACOCK, TURVEY, STOLPER AND HENDERSON, editors, <i>International Economic Papers, No. 7</i> , by H. L. Miller, Jr.	999

PERLO, The Empire of High Finance, by D. A. Alhadeff	197
PERROUX, Théorie générale du progrès économique: I, Les mesures des progrès économique et l'idée d'économie progressive; II, Les composants, by C. Wolf, Jr.	1016
PLATT, Input-Output Analyse, by M. J. Beckman	1034
POLANYI, ARENSBERG AND PEARSON, editors, Trade and Market in the Early Em- pires: Economies in History and Theory, by S. Rottenberg	675
PYKE, Automation: Its Purpose & Future, by W. S. Buckingham, Jr.	200
RATCLIFF, RATEBUN AND HONNOLD, Residential Finance, 1950, by W. C. Freund	745
RAU, Agricultural Policy and Trade Liberalization in the United States, 1934-1956, by C. E. Staley	210
REDER, Labor in a Growing Economy, by A. Cartter	503
RENSHAW, Toward Responsible Government—An Economic Appraisal of Federal Investment in Water Resource Programs, by L. G. Hines	744
RHODE, Gleichgewicht und Konjunkturtheorie, by A. Schweitzer	454
ROBERTSON, Lectures on Economic Principles, Vol. I., by R. Fels	1000
ST. CLAIR, A Key to Ricardo, by J. P. Henderson	158
SAKOLSKI, Land Tenure and Land Taxation in America, by R. B. Sheridan	739
SAMPEDRO, CHARDONNET AND THIÉRY, La localización de las actividades económicas en Europa después de la integración unitaria, by C. M. Flumiani	722
SAULNIER, HALCROW AND JACOBY, Federal Lending and Loan Insurance, by T. J. Cauley	714
SAVERS, Central Banking after Bagehot, by J. H. Power	183
SCAMMELL, International Monetary Policy, by C. P. Kindleberger (review article)	388
SCHELLING, International Economics, by P. W. Bell	1053
SCHLOSS, The Bank for International Settlements, by G. Sirkin	1053
SEIDMAN, LONDON, KARSH AND TAGLIACCOZZO, The Worker Views his Union, by E. Rosenbaum	1073
SHIOMI, Japan's Finance and Taxation, 1940-1956, by J. B. Cohen	718
SLADKOVSKII, Ocherki ekonomicheskikh otnoshenii SSSR s Kitaem (Survey of the Economic Relations of the USSR with China), by M. Bornstein	1048
SMITH, Government and Business: A Study in Economic Evolution, by M. C. Howard	1064
SOTH, Farm Trouble, by M. R. Benedict	209
SPULBER, The Economics of Communist Eastern Europe, by E. Ames	467
STEAD, Fomento—The Economic Development of Puerto Rico, by R. J. Alexander	1033
STEINER AND DORFMAN, The Economic Status of the Aged, by E. M. Burns	506
STONE, Quantity and Price Indexes in National Accounts, by M. Moss	475
STURMTHAL, editor, Contemporary Collective Bargaining in Seven Countries, by L. Wagner	500
SULTAN, Labor Economics, by H. M. Teaf, Jr.	505
SURIYAKUMARAN, The Economics of Full Employment in Agricultural Countries with Special Reference to India and Ceylon, by J. D. Black	681
TAYLOR AND PIERSON, editors, New Concepts in Wage Determination, by S. A. Levitan	222
THORNER, The Agrarian Prospect in India, by G. Rosen	177
TIMOSHENKO AND SWERLING, The World's Sugar, by P. E. Hart	738
TOSDAL, Selling in Our Economy: An Economic and Social Analysis of Selling and Advertising, by E. T. Grether	729
TRIFFIN, Europe and the Money Muddle, by A. M. Kamarck	183
ULLMAN, American Commodity Flow, by R. W. Harbeson	205
VAN PHILIPS, Public Finance and Less Developed Economy—with Special Refer- ence to Latin America, by J. H. Adler	716
VEIT, Die veränderte Währungspolitik und ihre Folgen, by E. Alexander-Katz	709
—, Changes in Monetary Policy and Their Consequences, by A. B. Dutka	1040
VINER, The Long View and the Short—Studies in Economic Theory and Policy, by T. W. Hutchison	994
VINING, Economics in the United States of America, by H. G. Lewis	434
WALKER, Economic Planning by Programme and Control in Great Britain, by E. G. Nelson	696

WARRINER, Land Reform and Development in the Middle East, by R. J. Lampman	683
WEINTRAUB, An Approach to the Theory of Income Distribution, by R. Eisner	1004
WEISE, Die Steuern im Vereinigten Königreich unter Berücksichtigung der Entwicklung seit dem Ersten Weltkrieg, by J. Hauptmann	186
WILES, Price, Cost and Output, by C. C. Bloom	446
WILLIAMS, The Regulation of Rail-Motor Rate Competition, by J. F. Barron	733
WILLIS, The Federal Funds Market, by C. J. Stokes	482
WILSON, French Banking Structure and Credit Policy, by S. F. Sherwin	706
WINDING, Some Aspects of the Acceleration Principle, by M. H. Peston	156
WOYTINSKY, India: The Awakening Giant, by H. B. Lamb	175
ZIMMERMANN, Conservation in the Production of Petroleum—A Study in Industrial Control, by J. S. Bain	1066
ZUPNICK, Britain's Postwar Dollar Problem, by C. P. Kindleberger (review article)	388
Congress and the Monopoly Problem: Fifty-Six Years of Antitrust Development, 1900-1956, by W. N. Leonard	203
Contribuições à análise do desenvolvimento económico, by K. E. Boulding	462
The Economic Development of Jordan: Report of a Mission Organised by the IBRD, by P. Okigbo	178
Economic Developments in the Middle East 1956-1957, by J. Amuzegar	1027
Economic Survey of Europe in 1957, by M. E. Kreinin	1025
Eighth Annual Report on Exchange Restrictions, by M. E. Kreinin	191
Ekonomika promyshlennosti SSSR, by V. Holubnychy	694
Ekonomika sotsialisticheskikh promyshlennykh predpriyatiy, by V. Holubnychy	694
Federal Expenditure Policy for Economic Growth and Stability: Papers by Panelists; Hearings; Report (Subcommittee on Fiscal Policy to the Joint Economic Committee, 85th Congress), by O. Eckstein	710
Financing Highways, by J. D. Hogan	715
First Report. By the Council on Prices, Productivity and Incomes, by H. S. Ellis	1039
Management of Direct Investments in Less Developed Countries, by W. E. Gordon	459
Money and Banking. By the Committee on Money and Banking, by H. C. Potter	1043
Monopoly Problems in Regulated Industries—Airlines. Hearings Before the Antitrust Subcommittee of the House Committee on the Judiciary, 84th Cong., 2nd Sess., by J. C. D. Blaine	732
The National Economic Accounts of the United States. Hearings Before the Subcommittee on Economic Statistics of the Joint Economic Committee (85th Cong., 1st sess.), by J. B. Lansing	687
New Emphasis on Economic Development (six pamphlets on the role of U.S. foreign aid), by R. F. Gemmill	193
Preliminary Report—December, 1956, Royal Commission on Canada's Economic Prospects, by D. M. Wright	463
I problemi dello sviluppo economico con particolare riguardo alle aree arretrate, by W. G. Welk	173
Problems of Capital Formation. Studies in Income and Wealth, Vol. XIX, by L. Tarshis	155
Relations between the Central Banks and Commercial Banks, by T. J. Bryde	705
Taxation and Foreign Investment, by J. Burkhead	717
United States Foreign Policy. Documents of House Committee on Ways and Means and subcommittees: hearings, papers, reports; and First Annual Report on the Operation of the Trade Agreements Program (a review article), by J. M. Letiche	954

PAPERS AND PROCEEDINGS

(In May 1958 number)

AGRICULTURAL PARITY

Introduction	J. D. BLACK	333
Parity Re-examined	O. V. WELLS	335
Parity Price and the Farm Problem: A Case Study of the Concept of a Solution of an Economic Problem	R. VINING	343
Discussion by V. W. BLADEN, E. J. WORKING		360

BUSINESS CONTRACTION, IS ANOTHER . . . LIKELY?

The Money Economy and Business Contractions	A. ACHINSTEIN	106
Postwar Cyclical Experience and Economic Sta- bility	B. G. HICKMAN	117
Discussion by V. L. BASSIE, E. P. SCHMIDT, D. HAMBERG		135

CAPITAL INVESTMENT AND CAPACITY, TRENDS IN

Capacity Utilization and the Rate of Profitability in Manufacturing	W. F. BUTLER	239
Postwar Trends in the Relation of Capital to Out- put in Manufactures	D. CREAMER	249
Discussion by E. SCHIFF, R. C. WASSON, R. W. GOLDSMITH		260

CAPITAL INVESTMENT DECISIONS IN THE USSR, CRITERIA FOR

Introduction	M. A. COPELAND	366
The Economic Effectiveness of Capital Investments in the USSR	T. S. KHACHATUROV	368
Economic Aspects of Peaceful Coexistence of Two Social Systems	V. ABOLITIN	385
Discussion by H. HUNTER, F. H. GOLAY		393

ECONOMIC PROJECTIONS, I; A STATISTICAL CONTRIBUTION TO PRICE THEORY, II

Economic Projections: Tools of Economic Analysis and Decision Making	G. COLM	178
A Theory of Anticipatory Prices	H. WORKING	188
Discussion by R. M. WEIDENHAMMER, D. F. GORDON, A. SHERRARD, J. W. KEND- RICK		200

INCOME AND CONSUMPTION

Individual Incomes and the Structure of Consumer Units	D. S. BRADY	269
Factors Associated with Income Variability	R. B. BRISTOL, JR.	279
Changes in Concepts of Income Adequacy over the Last Century	H. H. LAMALE	291
Discussion by F. W. NOTESTEIN, M. B. GIVENS		300

MONETARY ANALYSIS AND THE FLOW OF FUNDS

A Cyclical Model for Postwar U.S. Financial Markets	J. C. DAWSON	145
An Analytic Summary of the Flow-of-Funds Ac- counts	S. TAYLOR	158
Discussion by A. GREENSPAN, P. B. SIMPSON, A. T. CUTLER		171

MONOPOLISTIC-COMPETITIVE PRICE THEORY, FURTHER EXPLORATIONS IN

The Uses of Diversity: Competitive Bearings of Diversities in Cost and Demand Functions . . . J. M. CLARK	474
Cost Accounting, Political Economy, and the Law W. HAMILTON	483
Discussion by C. E. AYRES, R. B. HEFLEBOWER	486

NATIONAL MONETARY COMMISSION, AGENDA FOR A

The Financial Structure H. STEIN	64
The Monetary Standard: Objectives and Limita- tions J. W. ANGELL	76
The Role of Monetary Policy E. M. BERNSTEIN	88
Discussion by A. N. McLEOD, J. G. GURLEY	99

PETROLEUM AND NATURAL GAS AND THE PUBLIC INTEREST

Natural Gas: Cost, Conservation, and Pricing . . . J. B. DIRLAM	491
Prices, Costs, and Conservation in Petroleum . . . J. R. NELSON	502
Discussion by L. COOKENBOO, JR., J. W. BOATWRIGHT, B. C. NETSCHERT	516

PRODUCTION IN THE USSR, MEASURING

Industrial Growth in the Soviet Union G. W. NUTTER	398
Soviet Transportation Development: A Compari- son with the U.S. E. W. WILLIAMS, JR.	412
Discussion by H. HEYMANN, JR., H. HUNTER	422

PUBLIC FINANCE, STATE AND LOCAL

The Role of Major Metropolitan Centers in State and Local Finance H. E. BRAZER	305
The Outlook for Fiscal Needs and Resources of State and Local Governments D. NETZER	317
Discussion by L. C. FITCH, W. W. HELLER	328

PUBLIC REGULATION BY INDEPENDENT COMMISSIONS, A CRITICAL EVALUATION OF

The Role of Competition in the Regulated Indus- tries W. ADAMS	527
The Protective Functions of Commission Regula- tion L. S. KEYES	544
The Economic Planning Function under Public Regulation L. OLDS	553
Discussion by C. S. MORGAN, F. P. MORRISSEY	562

STATISTICAL COST FUNCTIONS

Some Methodological Aspects of Statistical Costing as Illustrated by the Determination of Rail Pas- senger Costs J. R. MEYER	209
A Marginal Cost Function for Highway Construc- tion and Operation A. R. FERGUSON	223
Discussion by G. H. BORTS	235

TRADE-UNIONISM, DEMOCRACY AND

Some Requirements for Union Democracy J. SEIDMAN	35
The Usefulness of Law in Achieving Union De- mocracy C. W. SUMMERS	44
Some Efforts at Democratic Union Participation . . B. D. SEGAL	53

VEBLÉN CENTENARY ROUND TABLE

Source and Impact of Veblén J. DORFMAN	1
--	---

IN	The Influence of Veblen on Mid-Century Institutionalism	A. G. GRUCHY	11
74	Veblen's Critique of the American Economy	P. M. SWEETZ	21
83	Discussion by P. N. VUKASIN, G. W. ZINKE		30

WESTERN EUROPE, CURRENT ECONOMIC QUESTIONS RELATING TO

64	Thes Lessons of Benelux and the European Coal and Steel Community for the European Economic Community	R. F. MIKESSELL	428
76	European Policies on Restrictive Business Practices	R. C. DIXON	442
88	Economic and Financial Developments in Western Europe	F. A. SOUTHARD, JR.	452
99	Discussion by R. N. GARDNER, T. SURÁNYI-UNGER, R. VERNON		466

SELECTED PAPERS: AMERICAN ECONOMIC ASSOCIATION COMPETITION

91	Product Differentiation and Straight-Line Indifference Curves	L. E. FOURAKER	568
02	Joint Subsidiaries in the Iron and Steel Industry	D. R. FUSFELD	578
16	A Partial Theory of Collusion	D. A. WORCESTER, JR.	588
98	Discussion by E. H. CHAMBERLIN, A. E. KAHN		598

CONTRIBUTORS:

Leading articles are marked (a); communications (c); mathematical notes (m); papers read at the annual meeting, published in the Papers and Proceedings, separately paged, are marked (p); and all others are book reviews.

- Aboltin, V. 385 (p)
 Achinstein, A. 106 (p)
 Adams, W. 527 (p)
 Adler, J. H. 716
 Alexander, R. J. 1033
 Alexander-Katz, E. 709
 Alhadeff, D. A. 197
 Ames, E. 467
 Amuzegar, J. 1027
 Angell, J. W. 76 (p)
 Ayres, C. E. 486 (p)
 Bain, J. S. 1066
 Baldwin, R. E. 683
 Barron, J. F. 733
 Basch, A. 484
 Bassie, V. L. 135 (p)
 Baumol, W. J. 837 (a)
 Becker, J. F. 995
 Beckmann, M. J. 1034
 Bell, P. W. 1053
 Benedict, M. R. 209
 Bergson, A. 437
 Bernstein, E. M. 88 (p)
 Bhagwati, J. 941 (a)
 Black, J. D. 333 (p), 681
 Bladen, V. W. 360 (p)
 Blaine, J. C. D. 732
 Bliss, P. 202
 Blitz, R. C. 313 (a)
 Bloom, C. C. 446
 Boatwright, J. W. 520 (p)
 Bodenhorn, D. 148
 Bond, F. A. 207
 Bonini, C. P. 607 (a)
 Bornstein, M. 662 (c), 1048
 Borts, G. H. 235 (p)
 Boulding, K. E. 462
 Bowen, H. R. 998
 Braden, S. E. 485
 Brady, D. S. 269 (p)
 Brazer, H. E. 305 (p)
 Brennan, M. J. 50 (a)
 Brewer, M. F. 492, 493
 Bristol, R. B. Jr. 279 (p)
 Bronfenbrenner, M. 673
 Bryde, T. J. 705
 Buckingham, W. S., Jr. 200
 Burkhead, J. 717
 Burns, E. M. 506
 Butler, W. F. 239 (p)
 Butters, J. K. 1046
 Cabe, C. 225
 Cameron, R. E. 162
 Campbell, C. D. 661 (c)
 Campbell, R. W. 549 (a), 1036
 Capron, W. M. 213
 Cartter, A. 503
 Catlin, W. B. 746
 Cauley, T. J. 714
 Chamberlin, E. H. 598 (p)
 Clark, J. M. 474 (p)
 Clemence, R. V. 182
 Cohen, J. B. 718
 Colm, G. 178 (p)
 Cookenboo, L. Jr. 516 (p)
 Copeland, M. A. 1 (a), 366 (p)
 Creamer, D. 249 (p)
 Crutchfield, J. A. 184
 Culbertson, J. M. 119 (c)
 Cusick, J. F. 445
 Cutler, A. T. 175 (p)
 Dawson, J. C. 145 (p)
 De Alessi, L. 657 (c)
 de Schweinitz, K., Jr. 1001
 de Vries, E. 468
 Dicks-Mireaux, L. A. 590 (a)
 Dillard, D. 456
 Dince, R. R. 1057
 Dirlam, J. B. 491 (p)
 Dixon, R. C. 442 (p)
 Dorfman, J. 1 (p), 405 (c)
 Dorfman, R. 152
 Dutka, A. B. 1040
 Eason, W. W. 477
 Easterlin, R. A. 678
 Eckstein, O. 710
 Eisner, R. 972 (c), 1004
 Ellis, H. S. 1039
 Ellsberg, D. 1009
 Evans, R. 657 (c)
 Feder, E. 1068
 Fels, R. 1000
 Ferguson, A. R. 223 (p)
 Fitch, L. C. 328 (p)
 Flumiani, C. M. 722
 Fouraker, L. E. 568 (p)
 Freund, W. C. 745
 Friedman, M. 990 (c)
 Friend, I. 699
 Fusfeld, D. R. 578 (p)
 Gallaway, L. E. 967 (c)
 Gardner, R. N. 466 (p)

- Garvy, G. 448
 Gemmill, R. F. 193
 Gillies, J. 489
 Givens, M. B. 302 (p)
 Golay, F. H. 395 (p)
 Goldberger, A. S. 1011
 Goldsmith, R. W. 265 (p)
 Goode, R. 1045
 Goode, R. B. 204
 Gordon, D. F. 201 (p)
 Gordon, W. E. 459
 Greenspan, A. 171 (p)
 Grether, E. T. 729
 Gruchy, A. G. 11 (p)
 Gurley, J. G. 103 (p), 132 (c)
 Hagen, E. E. 170
 Hall, A. S. 444
 Hamberg, D. 139 (p), 1020
 Hamilton, W. 483 (p)
 Harbeson, R. W. 92 (a), 205, 1060
 Hardt, J. P. 470
 Hart, P. E. 738
 Hauptmann, J. 186
 Heflebower, R. B. 488 (p)
 Heller, W. W. 330 (p)
 Henderson, J. P. 158
 Heymann, H. Jr. 422 (p)
 Hickmann, B. G. 117 (p)
 Hildebrand, G. H. 217
 Hines, L. G. 744
 Hodgman, D. R. 442
 Hogan, J. D. 715
 Holubnychy, V. 160, 180, 694
 Holzman, F. D. 73 (a), 665 (c)
 Houthakker, H. S. 396 (a), 991 (c)
 Howard, M. C. 1064
 Hunter, H. 393 (p), 425 (p)
 Hunter, J. M. 725
 Hutchins, J. G. B. 1071
 Hutchison, T. W. 994
 Kahn, A. E. 600 (p)
 Kaldor, N. 164
 Kamarck, A. M. 188
 Kaufman, J. J. 502
 Kendrick, J. W. 206 (p)
 Keyes, L. S. 544 (p)
 Khachaturov, T. S. 368 (p)
 Kimmel, L. H. 1055
 Kindleberger, C. P. 388 (a)
 Klein, J. J. 1013
 Klein, S. 172
 Kottke, F. J. 488
 Kreinin, M. E. 191, 1025
 Kurihara, K. K. 453
 Lamale, H. H. 291 (p)
 Lamb, H. B. 175
 Lampman, R. J. 683
 Lansing, J. B. 687
 Lanzillotti, R. F. 921 (a)
 Leonard, W. N. 203, 1061
 Leontief, W. 105 (c)
 Letiche, J. M. 954 (a)
 Levitan, S. A. 222
 Lewis, H. G. 434
 Li, C. M. 465
 Lindahl, M. L. 736
 Lindblom, C. E. 298 (a)
 Mack, R. P. 18 (a)
 MacLaurin, W. R. 1058
 Mai, L. H. 724
 Mann, F. K. 1014
 Mark, S. M. 1042
 McKenzie, L. W. 139
 McLeod, A. N. 99 (p)
 Meltzer, A. H. 728
 Mendershausen, H. 632 (a)
 Meyer, J. R. 209 (p)
 Mikesell, R. F. 428 (p)
 Miller, H. L., Jr. 999
 Miller, M. H. 261 (a)
 Mishan, E. J. 590 (a)
 Modigliani, F. 261 (a)
 Moore, D. A. 195
 Morgan, C. S. 562 (p)
 Morgan, J. N. 655 (c), 874 (a)
 Morgan, T. 1029
 Morrissey, F. P. 564 (p)
 Moss, M. 475
 Murdock, J. C. 670
 Neisser, H. 479
 Nelson, E. G. 696
 Nelson, J. R. 502 (p)
 Netschert, B. C. 524 (p)
 Netzer, D. 317 (p)
 Norton, H. S. 734
 Notestein, F. W. 300 (p)
 Novak, G. J. 692
 Nutter, G. W. 398 (p), 1003
 Okigbo, P. 178
 Olds, L. 553 (p)
 Oshima, H. T. 685
 Papandreou, A. G. 668
 Park, S. Y. 660 (c)
 Perlo, V. 333 (a)
 Peston, M. H. 156
 Plantz, D. V. 151
 Potter, H. C. 1043
 Power, J. H. 183
 Pribram, K. 440
 Reder, M. W. 495
 Rees, A. 426 (c)
 Reich, N. 1024
 Reinhardt, H. 712
 Reubens, E. P. 190
 Roose, K. D. 348 (a)
 Rosen, G. 177
 Rosenbaum, E. 1073
 Ross, A. M. 903 (a)

- Rottenberg, S. 675
 Sanford, G. W. 487
 Saville, L. 206
 Schiff, E. 260 (p)
 Schlesinger, E. R. 1051
 Schmidt, E. P. 137 (p)
 Schweitzer, A. 454
 Segal, B. D. 53 (p)
 Seidman, J. 35 (p)
 Sennholz, H. F. 707
 Shaw, E. S. 132 (c)
 Sheahan, J. B. 720
 Sheridan, R. B. 211, 739
 Sherrard, A. 203 (p)
 Sherwin, S. F. 706
 Shideler, J. H. 491
 Shister, J. 224
 Shorter, F. C. 1031
 Simon, H. A. 607 (a)
 Simon, M. 482
 Simpson, P. B. 173 (p)
 Sirkin, G. 1053
 Smith, P. 649 (c)
 Solow, R. M. 618 (a)
 Sosnovy, T. 1038
 Southard, F. A., Jr. 452 (p)
 Spiegelglas, S. 1050
 Spielmans, J. V. 1070
 Staley, C. E. 210
 Stein, H. 64 (p)
 Stigler, G. J. 357 (a)
 Stokes, C. J. 482
 Sturmthal, A. 220
 Summers, C. W. 44 (p)
 Summers, R. 690
 Surányi-Unger, T. 468 (p), 1035
 Svennilson, I. 1006
 Sweezy, P. M. 21 (p)
 Tarshis, L. 155, 697
 Taylor, S. 158 (p)
 Teaf, H. M., Jr. 505
 Tintner, G. 149
 Triantis, S. G. 458
 Tullock, G. 661 (c)
 Ulman, L. 408 (c)
 Valentine, L. M. 111 (c)
 Vance, R. B. 747
 Vernon, R. 471 (p)
 Vickrey, W. 451
 Vining, R. 343 (p)
 Vukasin, P. N. 30 (p)
 Wagner, H. M. 368 (a)
 Wagner, L. 500
 Ward, B. 566 (a)
 Wasson, R. C. 262 (p)
 Wattles, M. D. 727
 Wehrwein, C. F. 742
 Weidenhammer, R. M. 200 (p)
 Welk, W. G. 173
 Wells, O. V. 335 (p)
 Westfield, F. M. 329 (m)
 Williams, E. W., Jr. 412 (p)
 Wolf, C., Jr. 1016
 Wood, A. W. 740
 Worcester, D. A., Jr. 588 (p)
 Working, E. J. 361 (p)
 Working, H. 188 (p)
 Wright, D. M. 463
 Zarnowitz, V. 18 (a)
 Zellner, A. 73 (a)
 Zinke, G. W. 32 (p)

